Production of finer cloth by NTC

2433. PROF. B. RAMACHANDRA RAO:

PROF. (MRS.) ASIMA CHATTERJEE:

Will the Minister of SUPPLY AND TEXTILES be pleased to state:

(a) whether the National Textile Corporation has decided to take up production of finer cloth and to phase out controlled cloth which will be entirely in the handloom sector;

(b) whether NTC has prepared a plan of modernisation of machinery to meet the needs of production of finer cloth and improve efficiency;

(c) if so, what will be its likely effects on costs and margins and production of blended cloth with man-made fibres; and

(d) whether the new policy will lead to the increase of exports and enable NTC to make profit in the near future?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH): (a) The Textile policy states that "the responsibility for the entire production of controlled cloth shall be transferred to the handloom sector by the end of the Seventh Five Year Plan". The share of NTC in the production of controlled cloth will hence be suitably phased out.

(b) National Textile Corporation had estimated a requirement of Rs. 302 crores for modernisation of nationalised units and suggested a plan accordingly. The Planning Commission has so far indicated an outlay of Rs. 117 crores for modernisation and rationalisation of labour schemes of NTC, during the 7th Plan period

(c) and (d) It has been estimated that with the proposed investment of the said Rs. 302 crores, the nationalised units, as a whole, was in the terminal year of the plan, reach a total production value of Rs. 1063 crores, with a cash profit of Rs. 33 crores. It has also been estimated that with the proposed modernisation, the production costs of fabrics would reach 19.6 per cent and that exports would be reduced, that share of fine, superfine and blended fabrics would also increase by above 50 per cent.

However with only very selective modernisation possible within the available limited resources, the above projections would necessarily undergo changes.

Money advanced under I.R.D.P.

2434. SHRI INDRADEEP SINHA:

SHRI SURAJ PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that money advanced under the Integrated Rural Development Programme is not being returned by the beneficiaries;

(b) if so, how much money has been advanced during the Sixth Five Year Plan period under this Programme;

(c) whether any survey has been conducted regarding recovery of the amount; and

(d) whether banks have approached Credit Guarantee Scheme with which the loans were insured to pay the amount advanced?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (c) It is not correct to say that the money advanced under the Integrated Rural Development Programme is not being repaid by the beneficiaries. The sample survey conducted by NABARD in respect of IRDP loans has indicated recovery of 57 per cent.

(b) During the Sixth Plan period a term credit of Rs. 3080.41 crores has been disbursed under the Programme.